

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5802-01
Bill No.: HB 1726
Subject: Law Enforcement Officers and Agencies; Salaries
Type: Original
Date: February 21, 2014

Bill Summary: This proposal specifies that sheriff compensation shall be increased annually beginning on September 1, 2014 and continuing January 1 of each subsequent year.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	(Unknown greater than \$162,841)	(Unknown greater than \$212,287)	(Unknown greater than \$238,322)

FISCAL ANALYSIS

ASSUMPTION

Officials at **Holt County** assume the ongoing 5% increases will capitalize on the salary thereafter and concerns remain related to an increase in assessed valuation which could impact the base immediately and the subsequent percentage application rate would increase. Overall, Holt County's Sheriff Civil Fee fund is limited on resources and typically expends the yearly revenue - remaining stable and neutral for loss/gain. The redirection of fee funds to salary under this proposal would create a shortfall in the fund, directly impacting the ongoing needs of the Sheriff's Department and highly likely to force a movement of those expenditures to General Revenue.

Officials at **Pettis County** assume no additional revenues are anticipated or guaranteed and the funds are now used by the sheriff to purchase services and equipment to support the operation of the sheriff's office.

Officials at the **Boone County Sheriff's Department** assume the Department currently uses the civil process fund for services and equipment to support the Department's operations. Losses experienced would be the same as the costs noted in the chart below.

Officials at **Lincoln County** assume an unknown cost because the County can never be certain of the amount of revenues and amount of fund balance that will be available in the Sheriff Civil Fee fund. The budget is set and funds are used at the Sheriff's discretion, so it is unknown how much more the sheriff would request in the budget from the Law Enforcement Trust fund which currently gets a transfer from the general fund of around \$300,000 - \$400,000 per year.

Officials at **Laclede County** assume an unknown cost from this proposal. These funds are currently used for the Sheriff and jail expenses, no additional revenues are created and a loss of funds from operations would occur.

Officials at **Cole County** assume this legislation would reduce funding currently being spent on equipment and other related expenses of the Sheriff's Department by shifting those funds to salary payments for the Sheriff. The resultant loss of funding would require expenditures from the County's General Revenue Fund to maintain the status quo.

ASSUMPTION (continued)

Officials at the following counties listed below responded to our request for fiscal impact for this proposal. This chart shows the cost per fiscal year.

	2015 Total Costs of Change <u>in Salary and Fringe</u>	2016 Total Cost of Change <u>in Salary and Fringe</u>	2017 Total Costs of Change <u>in Salary and Fringe</u>
Cooper County	\$13,506	\$21,951	\$24,899
Atchison County	11,172	18,159	20,597
Johnson County	12,069	19,616	22,250
Scotland County	7,466	12,134	13,763
Polk County	9,611	15,706	17,816
Dent County	6,180	8,812	10,437
Taney County	7,961	11,493	13,641
Nodaway County	14,025	22,796	25,857
Lewis County	10,972	17,833	20,227
Scott County	12,203	19,834	22,498
Linn County	7,855	14,050	15,937
Holt County	4,469	7,885	10,619
Cole County	10,142	4,484	4,708
Pettis County	14,100	6,150	4,613
Boone County	15,287	6,759	7,097
Lincoln County	<u>5,824</u>	<u>4,624</u>	<u>3,363</u>
TOTAL	<u>\$162,841</u>	<u>\$212,287</u>	<u>\$238,322</u>

Oversight assumes that the chart above represents the additional cost by county (of those counties who responded to Oversight's request) by fiscal year of the sheriff salary and benefits. Counties work on a calendar year basis, therefore Oversight needed to convert the counties numbers above. As such, FY 2015 is Sept 2014 through June 2015. FY 2016 and 2017 are for July 2015 through June 2016 and July 2016 through June 2017 respectively. Oversight will include the impact as Unknown greater than each years total above for the Local Political Subdivisions for a cost for this proposal.

Officials at the **Office of the State Treasurer** and **Office of the State Courts Administrator** each assume no fiscal impact to their respective agencies from this proposal.

Officials at **St. Louis County** assume no fiscal impact from this proposal.

ASSUMPTION (continued)

Officials at **Pike County** responded to our request, however they did not provide us with a response on fiscal impact.

Officials at the following counties: Andrew, Audrain, Barry, Bates, Boone, Buchanan, Callaway, Camden, Cape Girardeau, Carroll, Cass, Clay, DeKalb, Franklin, Greene, Jackson, Jefferson, Knox, Lawrence, Marion, Miller, Moniteau, Monroe, Montgomery, New Madrid, Ozark, Perry, Phelps, Platte, Pulaski, St. Charles, St. Francois, Warren, Wayne and Worth did not respond to **Oversight's** request for fiscal impact.

Officials from the Buchanan County Sheriff's Department, Clark County Sheriff's Department, Cole County Sheriff Department, Jackson County Sheriff Department and the Platte County Sheriff's Department did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017

LOCAL POLITICAL SUBDIVISIONS

<u>Cost</u> - Local Political Subdivisions - Increase in salary and benefits for sheriff	(Unknown greater than <u>\$162,841</u>)	(Unknown greater than <u>\$212,287</u>)	(Unknown greater than <u>\$238,322</u>)
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	(Unknown greater than <u>\$162,841</u>)	(Unknown greater than <u>\$212,287</u>)	(Unknown greater than <u>\$238,322</u>)

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

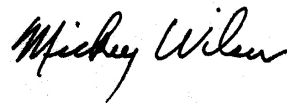
FISCAL DESCRIPTION

This bill specifies that sheriff compensation must be increased 15% on September 1, 2014, 10% per annum on January 1, 2015, and 5% per annum on January 1 of each subsequent year.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the State Treasurer
Office of the State Courts Administrator
St. Louis County
Boone County Sheriff's Department
Lincoln County
Pettis County
Cooper County
Atchison County
Johnson County
Scotland County
Polk County
Taney County
Nodaway County
Lewis County
Laclede County
Cole County
Holt County
Pike County
Dent County
Scott County
Linn County



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February 21, 2014

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February 21, 2014